

Exercise 1 - PART A

Uniform Residential Appraisal Report

File #

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	City Tolleson	State AZ	Zip Code 85353
Borrower	Owner of Public Record DR Horton, Inc. Continental	County Maricopa	
Legal Description Lot 57 Country Place Parcel 33			
Assessor's Parcel # 101-27-314	Tax Year 2005	R.E. Taxes \$ 147.74 Land Only	
Neighborhood Name Country Place	Map Reference	Sensus Tract 822.01	
Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$ N/A	<input checked="" type="checkbox"/> PUD HOA \$ 35.02	<input type="checkbox"/> per year <input checked="" type="checkbox"/> per month
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)			
Assignment Type <input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)			
Lender/Client Dept. of Veterans Affairs	Address Intended Use-Any VA approved	Lender.	
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Report data source(s) used, offering price(s), and date(s). Home is a new built, and was sold by the builder to the veteran purchaser. Contra act date is 11/16/05. Rev. 1/14/06. Base price at time of sale was \$239,350.			

C O N T R A C T	I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. Subject base price at time of contract and options added appear to be in line with market.		
	Contract Price \$ 248405	Date of Contract 1/24/06	Is the property seller the owner of public record? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) Net Value Central
	Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, report the total dollar amount and describe the items to be paid.		

N E I G H B O R H O O D	Note: Race and the racial composition of the neighborhood are not appraisal factors.							
	Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
	Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit 60	%		
	Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%		
	Growth <input checked="" type="checkbox"/> Rapid <input type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	225k	Low New	Multi-Family	%		
	Neighborhood Boundaries South of Lower Buckeye Road, east of 99th Avenue, north of Broadway Road, and west of 91st Avenue.		375k	High 1	Commercial	%		
	Neighborhood Description Area is under transition from agricultural to residential and small neighborhood commercial.		275k	Pred. 6 Mos	Other AGR. 40	%		
	Mailing address is Tolleson, while area is actually within the city limits of Phoenix. Presently children are bussed to all three levels of schooling.							
	Market Conditions (including support for the above conclusions) The area is under rapid development of new homes. However, the resale market activity within the area is showing signs of slowing down with time on market as well as list price sales price ratio changing.							
	Dimensions 55 X 110		Area 6050 +/- SF	Shape Rectangular	View Average			

Specific Zoning Classification R1-6 PCD Phoenix	Zoning Description Detached single family
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)	
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe	

S I T E	Utilities Public Other (describe)	Public Other (describe)	Off-site Improvements—Type	Public	Private
	Electricity <input checked="" type="checkbox"/> <input type="checkbox"/>	Water <input checked="" type="checkbox"/> <input type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gas <input type="checkbox"/> <input type="checkbox"/>	Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>
	FEMA Special Flood Hazard Area <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No FEMA Flood Zone X	FEMA Map # 04013C2095F	FEMA Map Date 9/13/05		
	Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe				
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe					
None observed.					

I M P R O V E M E N T S	General Description		Foundation		Exterior Description materials/condition		Interior materials/condition	
	Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls Conc/G		Floors Cpt/Vy1.Sht/G			
	# of Stories Two	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls FrmStucco/G		Walls Drywall/G			
	Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area sq. ft.	Roof Surface C.Tile/G		Trim/Finish Average/G			
	<input type="checkbox"/> Existing <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Under Const.	Basement Finish %	Gutters & Downspouts None		Bath Floor Vy1.Sht/G			
	Design (Style) 2 Story	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type Alm.S1dr/G		Bath Wainscot Fiberglass/G			
	Year Built New	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated Dual Glass/G		Car Storage <input type="checkbox"/> None			
	Effective Age (Yrs) New	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens Screens/G		<input checked="" type="checkbox"/> Driveway # of Cars 2			
	Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities <input type="checkbox"/> Woodstove(s) #		Driveway Surface Concrete			
	<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Gas	<input type="checkbox"/> Fireplace(s) # <input checked="" type="checkbox"/> FenceWall		<input checked="" type="checkbox"/> Garage # of Cars 2			
	<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck C.Pat <input checked="" type="checkbox"/> Porch C.Entry		<input type="checkbox"/> Carport # of Cars			
	<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool		<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input checked="" type="checkbox"/> Built-in			
	Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)							
	Finished area above grade contains: 6 Rooms 4 Bedrooms 2.5 Bath(s) 2085		Square Feet of Gross Living Area Above Grade					
	Additional features (special energy efficient items, etc.) Dual glass windows, R-30 roof, and R-13 side wall insulation.							

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). Subject is under construction, and is considered to be in good condition when complete.
--

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe
--

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe
--

Uniform Residential Appraisal Report

File #

There are 21 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 262,500 to \$ 348,888
There are 40 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 190,500 to \$ 309,000

FEATURE	SUBJECT	COMPARABLE SALE #1		COMPARABLE SALE #2		COMPARABLE SALE #3	
Address		9131 W. Globe Ave.		9020 W. Preston Ln.		9901 W. Miami St.	
Tolleson	AZ 85353	Tolleson AZ 85353		Tolleson AZ 85353		Tolleson AZ 85353	
Proximity to Subject		1 Block S/E		4 Blocks N/E		7 Blocks West	
Sale Price	\$ 248,405	\$ 259,874		\$ 259,456		\$ 260,000	
Sale Price/Gross Liv. Area	\$ 119.14 sq. ft.	\$ 126.83 sq. ft.		\$ 128.25 sq. ft.		\$ 133.26 sq. ft.	
Data Source(s)		Bldrs Office &		MLS		MLS	
Verification Source(s)		Esc. #507002535		Rec. #58619		Rec #1687950	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing Concessions		Conv.		Conv.		Conv.	
Date of Sale/Time		1/3/06		1/13/06		11/7/05	
Location	Average	Average		Average		Average	
Leasehold/Fee Simple	Fee	Fee		Fee		Fee	
Site	6050+/-SF	4950+/-SF	+2000	3750+/-SF	+3000	6171+/-SF	
View	Average	Average		Average		Next to Grnb1t	-2000
Design (Style)	2 Story	2 Story		2 Story		2 Story	
Quality of Construction	Average	Average		Average		Average	
Actual Age	New	New		New		2 Years	
Condition	Good	Good		Good		Good	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	6 4 2.5	6 4 2.5		6 3 2.5		6 3 2.5	
Gross Living Area	2085 sq. ft.	2049 sq. ft.		2023 sq. ft.		1951 sq. ft.	+4700
Basement & Finished Rooms Below Grade	None	None		None		None	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Cent. Ref.	Cent. Ref.		Cent. Ref.		Cent. Ref.	
Energy Efficient Items							
Garage/Carport	Db1 Garage	Db1 Garage		Db1 Garage		Db1 Garage	
Porch/Patio/Deck	C.En,C.Patio	C.En,C.Pat,Pool		C.En,C.Patio		C.En,C.Patio	
Appliances	Standard	Similar		Similar		Similar	
Upgrades	See Contract	Sim.U/G's,Pool	-13000	Superior U/G's	-11000	Superior U/G's	-8000
Landscaping	Front only	Front only		Front/Rear	-1500	Front/Rear	-1500
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 11,000		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 9,500		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 6,800	
Adjusted Sale Price of Comparables		Net -4.23% Gross 5.77% \$ 248,874		Net -3.66% Gross 5.97% \$ 249,956		Net -2.62% Gross 6.23% \$ 253,200	

☒ I did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain Verified thru NetValueCentral, and

past sales for the subject and all three comparables.

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s) NetValueCentral--Subject is a new built.

My research ☒ did ☐ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data source(s) NetValueCentral

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	None	None	None	4/11/03
Price of Prior Sale/Transfer	N/A	N/A	N/A	\$131,395
Data Source(s)	NetValueCentral	NetValueCentral	NetValueCentral	Rec.#455456 NVC
Effective Date of Data Source(s)	Current	Current	Current	Current

Analysis of prior sale or transfer history of the subject property and comparable sales Sale No. 3 was a resale home which was initially listed at \$280,000. Home sold new in 2003 for \$131,395 and appeared to have been owner occupied. Sale as cited in market grid is considered arms length.

Summary of Sales Comparison Approach Sale No. 1 is the same model as the subject, however there was an in ground pool included in sales price per title officer. Sale No. 2 was a new Great Western Home with approximately \$20,000 in upgrades. Sale No. 3 is a resale home which was a Shea with upgrades. Due to subject amenities & market conditions, bracketing was not leasable. The greatest weight was given to sales No. 1 & 2.

Indicated Value by Sales Comparison Approach \$ 249,000

Indicated Value by: Sales Comparison Approach \$ 249,000 Cost Approach (if developed) \$ N/A Income Approach (if developed) \$ N/A

The cost approach not cited per DVA guidelines, see cost approach comments. Income approach to value not cited, due to lack of relevant data.

This appraisal is made ☐ "as is", ☒ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$249,000, as of Feb. 6, 2006, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File #

THE SUBJECT IS LOCATED WITHIN A LARGE MASTER PLANNED COMMUNITY WITH SEVERAL DIFFERENT BUILDERS OFFERING PRODUCT. THE SUBJECT BUILDER HAS TWO DIFFERENT PRICE LEVEL PRODUCT IN THIS MASTER PLANNED COMMUNITY.

THE PROJECT HAS A TOLLESON MAILING ADDRESS, THOUGH IT IS LOCATED WITHIN THE CITY LIMITS OF PHOENIX. THE AREA TO THE SOUTH IS NOT DEVELOPED AS YET AS WELL AS THAT SECTION TO THE NORTH. THERE IS A BLEND OF HEAVY AGRICULTURE AND SINGLE FAMILY HOMES WITH SOME COMMERCIAL BEING DEVELOPED AT THIS TIME.

THE MARKET HAS BEEN VERY ACTIVE OVER THE PAST 13 MONTHS, HOWEVER WE HAVE SEEN SOME SLOWING RECENTLY. VALUES HAVE INCREASED AT A RECORD RATE DURING THE 2005 PERIOD. BUILDERS ARE USING INCENTIVES AS PART OF THEIR MARKETING STRATEGY AND THESE INCENTIVES ARE NOT CONSIDERED EXCESSIVE, BUT REFLECTING A TOOL TO DRIVE BUYERS TO THE SALES OFFICE.

THE RESALE MARKET APPEARS TO BE REFLECTING THE SOFTENING WITH SALES PRICES BEING LESS THAN LIST PRICES AND SOME LENGTHENING OF TIME ON MARKET. THIS COULD JUST BE A MONTHLY SLOWING AND SOFTENING OR COULD BE REFLECTIVE OF A MORE MAJOR CORRECTION IN OUR MARKET. NOTE: TRIED TO SEND REPORT TO DVA PORTAL 2/10-2/13 AND PORTAL WAS DOWN.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) The site value estimate is based on the residual method, due to lack of individual similar size lot sales within a reasonable proximity to the subject site.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	70,000
Source of cost data	Dwelling	Sq. Ft. @ \$	= \$
Quality rating from cost service	Effective date of cost data	Sq. Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			
Due to the unreliability of cost figures and inherent limitations in estimating depreciation, buyers and sellers do not use the cost approach as a determinant of value. Per DVA Bulletin 26-93-63, the cost approach is not reported.	Garage/Carport	Sq. Ft. @ \$	= \$
	Total Estimate of Cost-New		= \$
	Less Physical	Functional	External
	Depreciation		= \$()
	Depreciated Cost of Improvements		= \$
	"As-is" Value of Site Improvements		= \$
Estimated Remaining Economic Life (HUD and VA only) 55	Years	Indicated Value By Cost Approach	= \$ 70,000

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A	X Gross Rent Multiplier	= \$	Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)			

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☒ Yes ☐ No Unit type(s) ☒ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project Country Place Phase 33

Total number of phases 1	Total number of units 97	Total number of units sold 97
Total number of units rented Est 10	Total number of units for sale 0	Data source(s) Builder's office

Was the project created by the conversion of an existing building(s) into a PUD? ☐ Yes ☒ No If Yes, date of conversion

Does the project contain any multi-dwelling units? ☐ Yes ☒ No Data source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☒ No If No, describe the status of completion. All common areas are complete, however, there are numerous homes still under construction at this time.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☒ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities Common green areas.

Uniform Residential Appraisal Report

File #

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature _____
Name _____
Company Name _____
Company Address _____
Chandler AZ 85248-0013
Telephone Number _____
Email Address _____
Date of Signature and Report Feb. 10, 2006
Effective Date of Appraisal Feb. 6, 2006
State Certification # _____
or State License # _____
or Other (describe) _____ State # _____
State Arizona
Expiration Date of Certification or License 8/31/06

ADDRESS OF PROPERTY APPRAISED

Tollison, AZ 85353
APPRAISED VALUE OF SUBJECT PROPERTY \$ 249,000
LENDER/CLIENT
Name Dept. of Veterans Affairs
Company Name Intended use-Any VA approved lender.
Company Address _____
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

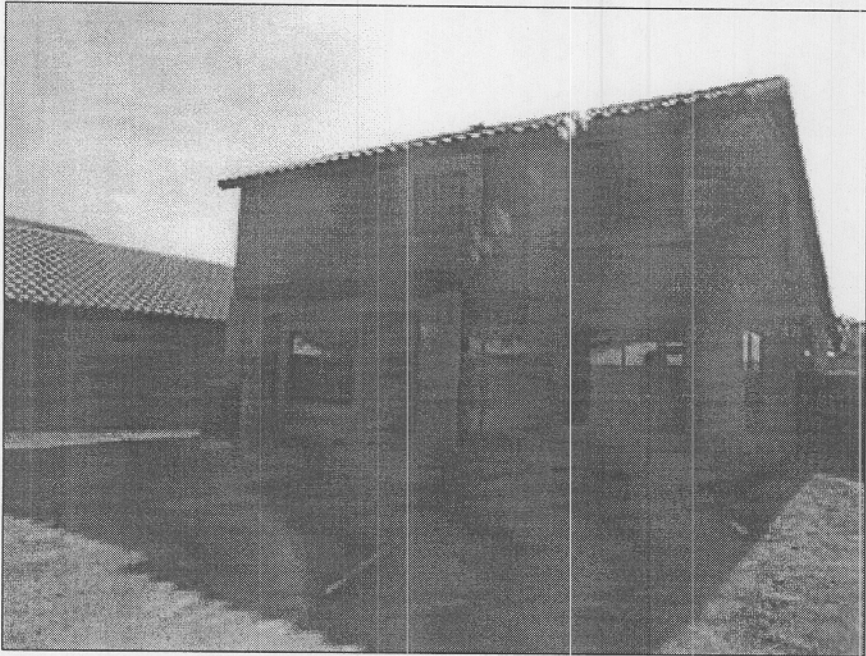
☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Photograph Addendum

Borrower	
Property Address	
City Tolleson	County Maricopa
State Arizona	Zip Code 85353
Lender/Client Dept. of Veterans Affairs	Lender's Address Intended user - Any VA approved lender
Appraiser	Appraiser's Address



Subject Front



Subject Rear

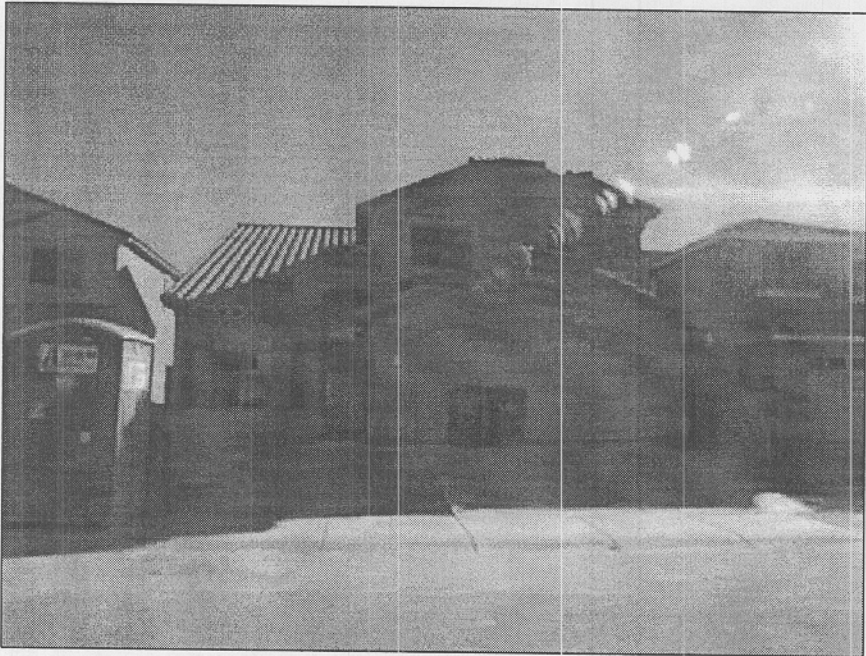


Subject Street



Photograph Addendum

Borrower [REDACTED]	
Property Address [REDACTED]	
City Tolleson	County Maricopa
State Arizona	Zip Code 85353
Lender/Client Dept. of Veterans Affairs	Lender's Address Intended user - Any VA approved lender
Appraiser [REDACTED]	Appraiser's Address [REDACTED]



Sale 1



Sale 2



Sale 3



Addendum to Fee Appraiser's Report: Client Requirements

VA Case #: 45-45-6- [redacted] Property Address: TOLLESON, AZ

VA/HUD Condo Approval ID# (Condos only): N/A

Subject/Comps Listing History and Data Source(s):

	Subject	Comp #1	Comp #2	Comp #3	Comp #4	Comp #5
Listing	N/A	N/A	\$269,140	\$280,000		
Sales Price	\$248,405	\$259,874	\$259,456	\$260,000		
D.O.M.	U/K	U/K	57	8		
Source #1	QNTMKT	BLDES off	MIS	MIS		
Source #2	PLANS/SPEC	ESCT#	REL#	REL#		

Comments on Comps over 6 months old:

ALL THREE SALE HAVE MORE RECENT THAN 6 MONTH SALE DATES

RAM Information:

R (Received): 1/30/06 *
A (Appraised): 2/6/06
M (Mailed): 2/10/06

Comments on RAM dates (if necessary use an

addendum) NOTE CONST PKG INCOMPLETE - REC FULL PACKAGE 2/6/06
FEB-X

VA requires the following Market Analysis Considerations be reported on all appraisals:

- The current sales price to listing price ratio is 95%
- 6 months ago sales price to listing price ratio was 100%
- The current Average Marketing Time for this market is 60 days
- 6 months ago the Average Marketing Time was 30 days

Comments on prevalence of Sales or Financing Concessions:

SALES INCENTIVES ARE NOT TYPICAL FOR RESALE MARKET,
THOUGH TYPICAL OF THE NEW HOME MARKET

VA Certification:

"I have considered relevant competitive listings and/or contract offerings in the performance of this appraisal and in the trending information reported in this section. If a trend is indicated, I have attached an addendum providing relevant competitive listing/contract offering data."

Appraiser's Signature
for VA Certification

Date 2/10/06

Revised 8/2/05 - Previous editions should not be used.

I hereby certify that the information contained in the
exhibits identified below has been employed in
arriving at the estimate of reasonable value noted
in this report.

BUILDER DIR-HORTON
PLAN 1048
SPECS DATED 11/17/05
SPECS SIGNED BY ELLEGORIE
VA CASE NUMBER 45-45-6-
ENDORSED BY VA [REDACTED]
APPRAISERS SIGNATURE [REDACTED]

D-R-HORTON
America's Builder
Continental Series

7001 N. Scottsdale Rd. Suite #2050
Scottsdale, Arizona 85253

Construction by CHI
Arizona Contractors License # 1

**RECEIPT AND INFORMATION SUPPLEMENT
ADDENDUM TO PURCHASE CONTRACT**

☐ Original Order
Original Date: 06/11/2005
☒ Change Order
Rewrite Date: 01/06/2006

RW Seq# 5

SALES PERSON

A

This Receipt and Information Supplement ("Supplement"), which consists of 1 page(s), when executed by both Buyer and Seller's Authorized officer, is an addendum to that certain Purchase Contract/Escrow Instructions dated 10/07/2005 ("Contract") for the purchase of the House constructed or to be constructed on the lot. All terms and provisions set forth in the Contract shall have the same meaning herein unless otherwise specifically provided to the contrary. Seller is not required to commence construction of any Options (or any other extras or changes whatsoever) described below until Buyer's Loan, if applicable, has been approved by Buyer's Lender and Seller has received from Buyer the cash deposit required by Seller for all Options and non-standard or non-mortgageable extras (if any) requested by Buyer. Buyer having already contracted for the acquisition of the Property from Seller, hereby requests, subject to Seller's approval and acceptance of this Supplement, the following Options and non-standard or non-mortgageable extras (if any) requested by Buyer. All Changes affecting position, location, height of house, etc. should be clearly marked on a copy of the floor plan or elevation plan for the house and attached to this supplement. In all cases, these requested options or extras are subject to field interpretation.

Buyer agrees to pay Seller at the time this Supplement is executed the agreed upon cash deposit required by Seller for each and every Option or other extra or change (if any) shown below. Buyer agrees that if its Loan application is rejected by the Lender, or for any reason Buyer fails to complete the purchase of the property, all deposits collected by or for Seller for the Options and other extras or changes (if any) described below will be retained by Seller unless otherwise specifically provided in the Contract for VA Buyers. The minimum Earnest Money Deposit may increase if Buyer does not intend to occupy the Property as a primary residence.

Buyer intends to occupy the Property as a primary residence. Initials JS

Lot No. Subdivision
057 456

House Plan Elevation
1048 B

Color Garage
31SR R

Roof

FHA VA CONV CASH
X

Lender: 1

Buyer:

Home Phone

Bus. Phone

Bus. Phone

SUMMARY OF MONETARY TERMS OF PURCHASE & SALE TRANSACTION

Basic Selling Price.....	\$ 239,350.00
Mortgageable Extras.....	\$ 9,055.00
Total.....	\$ 248,405.00
Loan Amount Requested.....	\$ 235,950.00
Total Required for Down Payment.....	\$ 12,455.00
Non-Refundable Deposit for Options.....	\$.00
Earnest Money Deposit received herewith.....	\$ 2,500.00
Bal. Due on or before COE.....	\$ 9,955.00
Closing Costs and Impounds.....	Escrow Agent To Provide

OPTIONS	EXTRAS (\$)	OPTIONS	EXTRAS (\$)
Lot Premium	3,000.00	Interiors 000012893 - 02	3,400.00
STUCCOED PATIO COLUMNS	480.00		
GLASS BLOCK @ M/BATH	445.00		
SOFT WATER LOOP(STD. LOCATION)	730.00		
PREPLUMB R/O LINE SINK TO FRIG SINK TO	300.00		
FAN OUTLET AT COVERED PATIO	145.00		
FAN OUTLET IN BDRM #2	145.00		
FAN OUTLET IN BDRM #3	145.00		
FAN OUTLET IN BDRM #4	145.00		
EXTERIOR COACH LIGHT(S) - SEE PLANS	120.00		
MORTGAGEABLE EXTRAS			9,055.00

*SELLER TO PAY UP TO \$ 6,234.00 TOWARD CLOSING, WHICH INCLUDES ALL SELLER REQUIRED COSTS, IF BUYER ELECTS TO OBTAIN FINANCING FOR THE PURCHASE THROUGH DHI MORTGAGE COMPANY AND USES DHI TITLE OF ARIZONA, INC. FOR SETTLEMENT SERVICES (EACH AN AFFILIATE OF SELLER). SELLER TO PAY UP TO \$ 370.00 IF BUYER ELECTS TO OBTAIN FINANCING THROUGH A DIFFERENT LENDER. IF BUYER ORIGINALLY ELECTS TO OBTAIN FINANCING THROUGH DHI MORTGAGE COMPANY AND SUBSEQUENTLY DECIDES TO OBTAIN FINANCING THROUGH A MORTGAGE LENDER OTHER THAN DHI MORTGAGE COMPANY, BUYER AGREES TO REWRITE THIS SUPPLEMENT AND OTHER NECESSARY DOCUMENTS TO REFLECT THE PROPER INCENTIVE, IF ANY. LENDER MUST HAVE ALL CLOSING DOCUMENTS TO THE TITLE COMPANY NO LATER THAN 3 BUSINESS DAYS PRIOR TO CLOSE OF ESCROW.

The Contract and this supplement shall be read together as one and the same document. Notwithstanding the foregoing, in the event of a conflict between the terms and provisions hereof and the terms and provisions of the Contract, the terms and provisions of this supplement shall prevail. At any time during the course of construction of the house, Seller shall have the right, for any reason whatsoever, to substitute any materials, fixtures, components or elements of the House or the Property with other materials, fixtures, components or elements of substantially comparable or better quality.

IN WITNESS WHEREOF, The parties have hereunto placed their signatures on the Receipt and Information Supplement which shall not be binding on Seller until approved and accepted by Seller's Authorized Officer.

Approved and Accepted for Seller

By: [Signature]
Its Authorized Officer

Date: 1-24-06

Page 1 of 1
1/6/2006 12:11:09 PM

(Buyer)

(Buyer)

(Date)

D·R·HORTON

AMERICA'S BUILDER
Continental Series

COLOR SHEET NUMBER:

12893 02

Flooring= MCDADE

Reference # 20050311102530010

Date Ordered

Date Shipped

Date of Installation

Rewrite

PO 01 NEVER PROCESSED
ADDING INTERIORS TO IWIRE

Rewrite Date: 11/16/2005
Original Date: 8/04/2005

COLOR SELECTION FORM AMENDMENT TO PURCHASE CONTRACT

SUBDIVISION: 456 AVALON @ COUNTRY PLACE LOT: 057

BUYER: PLAN: 1048 ELEV: B

This Color Selection Form (this "Amendment"), which consist of 02 page(s) when executed by both Buyer and Seller's Authorized Officer, is an Amendment to that certain Purchase Contract/Escrow Instructions and Receipt and Information Supplement ("Contract") for the purchase of the House by buyer named herein, constructed or to be constructed on the Lot. All terms and provisions contained in the Contract shall have the same meaning herein unless otherwise specifically provided to the contrary.

* Denotes Change		C	O	G				
		D	D	R				
		E	D	D				
ROOM/ITEM					DESCRIPTION	QTY	TOTAL	
* LIV/DIN RM	C				CARPET			
* FAMILY RM	C				RY FRESH START-DESERT CLAY			.00
* STAIRS	C				RY FRESH START-DESERT CLAY			.00
* CLST/STAIR	C				RY FRESH START-DESERT CLAY			.00
* HALL@LAUND	C				RY FRESH START-DESERT CLAY			.00
* HALL UP	C				RY FRESH START-DESERT CLAY			.00
* MASTER BRM	C				RY FRESH START-DESERT CLAY			.00
* BEDROOM 2	C				RY FRESH START-DESERT CLAY			.00
* BEDROOM 3	C				RY FRESH START-DESERT CLAY			.00
* BEDROOM 4	C				RY FRESH START-DESERT CLAY			.00
					Total CARPET	1,872.00		.00
* P	P	1			CARPET PAD			
					6 L/B 1/2" REBOND-1ST UPGRADE PAD			543.00
					Total CARPET PAD	1,872.00		543.00
					VINYL			
* KITCH/NOOK	V				VEGA 3517			.00
* LAUNDRY	V				VEGA 3517			.00
* MSTBATHUP	V				VEGA 3517			.00
* BATH 2 UP	V				VEGA 3517			.00
* BATH 3	V				VEGA 3517			.00
					Total VINYL	399.00		.00
* ENTRY	T	2			TILE			
					EM PARADISO 12"-TAN			17.00
					Grout Color - 19 CREAM			
					Total TILE	21.00		17.00
					Total FLOORING	4,164.00		560.00
* CABINET	TC11				KITCHEN/BATH/LAUNDRY			
					CLASSIC MAPLE-MOCHA			1,270.00
* LAM. C-TOP	4D				LAM. KITCHEN C-TOPS			.00
					AUTUMN INDIAN SLATE 3687-58			
					Total KITCHEN/BATH/LAUNDRY	2.00		1,270.00
* KIT.SINK	KSSS				PLUMBING			
					KOHLER STACCATO SS SINK EQ BWL			350.00
					K-3369			
* KIT.FAUCET	JM				CHROME CHATEAU WITH 9 IN.REACH			.00
					AND CHROME SPRAYER #7434			
* BATH FAUCE	F1				BASIC VILLETA MOEN SPEC 1 -			.00
					CHROME&BRASS			

In the event of a conflict between the terms and provisions hereof and the terms and provisions of the Contract, the terms and provisions of this Amendment shall prevail. All materials are subject to variation from dye lot to dye lot. Once materials have been ordered, no changes will be accepted. This Amendment shall not be binding upon Seller until Seller's Authorized Officer has executed it. I have reviewed this color sheet and the interior options that I have selected. I agree that what I have selected is reflected on this color sheet and what will be ordered and installed in my new home.

REMARKS **Cover Tile Flrs. w/Paper.

Initials

D·R·HORTON

AMERICA'S BUILDER
Continental Series

COLOR SHEET NUMBER:

12893 02

Flooring= MCDAD

Reference # 20050311102530010

Date Ordered

Date Shipped

Date of Installation

Rewrite

PO 01 NEVER PROCESSED
ADDING INTERIORS TO IWIRE

Rewrite Date: 11/16/2005
Original Date: 8/04/2005

COLOR SELECTION FORM AMENDMENT TO PURCHASE CONTRACT

SUBDIVISION: 456 AVALON @ COUNTRY PLACE LOT: 057

BUYER: PLAN: 1048 ELEV: B

This Color Selection Form (this "Amendment"), which consist of 02 page(s) when executed by both Buyer and Seller's Authorized Officer, is an Amendment to that certain Purchase Contract/Escrow Instructions and Receipt and Information Supplement ("Contract") for the purchase of the House by buyer named herein, constructed or to be constructed on the Lot. All terms and provisions contained in the Contract shall have the same meaning herein unless otherwise specifically provided to the contrary.

* Denotes Change		C O D E	G R D	DESCRIPTION	QTY	TOTAL
ROOM/ITEM						
				Total PLUMBING	3.00	350.00
* BATH ACCES	J4			BATH ACCESSORIES		
				BATH ACCESSORIES-		
				DONNER"CONTEMPORARY"ALL CHROME		100.00
				Total BATH ACCESSORIES	1.00	100.00
* DOOR HARDW	P03			DOOR HARDWARE		
				POLO KNOBS - POLISHED BRASS		.00
				KWIKSET		.00
				Total DOOR HARDWARE	1.00	.00
* MAIN HOUSE	UA			LIGHTING		
* BATH LIGHT	UBCH			LIGHTS STANDARD BRASS INTERIOR		.00
				STANDARD STYLE BATH BAR LIGHT		.00
				ALL CHROME		75.00
* EXT. LIGHT	UN			LIGHTS STANDARD BRASS EXT.		.00
				Total LIGHTING	3.00	75.00
* RANGE	822W			APPLIANCES		
				ELECTRIC RANGE-WHITE		.00
* DISHWASHER	912W			RF369LXP SCMAJAPP24		.00
				DISHWASHER-WHITE		.00
* MICROWAVE	961W			DU915PWP SCMAJAPP24		155.00
				MICROWAVE-WHITE		.00
				MH1150XM SCMAJAPP24		340.00
				Total APPLIANCES	3.00	495.00
STRUCTURED	CA75			STRUCTURED WIRING		
				ADDS A HOME THEATER PREWIRE W/		
				SPEAKER PORTS		420.00
STRUCTURED	C110			ADDITIONAL COMBO PORT OPTION		130.00
				Total STRUCTURED WIRING	2.00	550.00

LOAN TYPE 1 CONV LENDER

TOTAL PRICE: From \$ 245,005.00 to \$ 248,405.00

TOTAL 3,400.00

In the event of a conflict between the terms and provisions hereof and the terms and provisions of the Contract, the terms and provisions of this Amendment shall prevail. All materials are subject to variation from dye lot to dye lot. Once materials have been ordered, no changes will be accepted. This Amendment shall not be binding upon Seller until Seller's Authorized Officer has executed it. I have reviewed this color sheet and the interior options that I have selected. I agree that what I have selected is reflected on this color sheet and what will be ordered and installed in my new home.

Initials

REMARKS **Cover Tile Flrs. w/Paper.

CONTINENTAL INTERIORS REPRESENTATIVE

SELLER'S AUTHORIZED OFFICER

DATE

BUYER

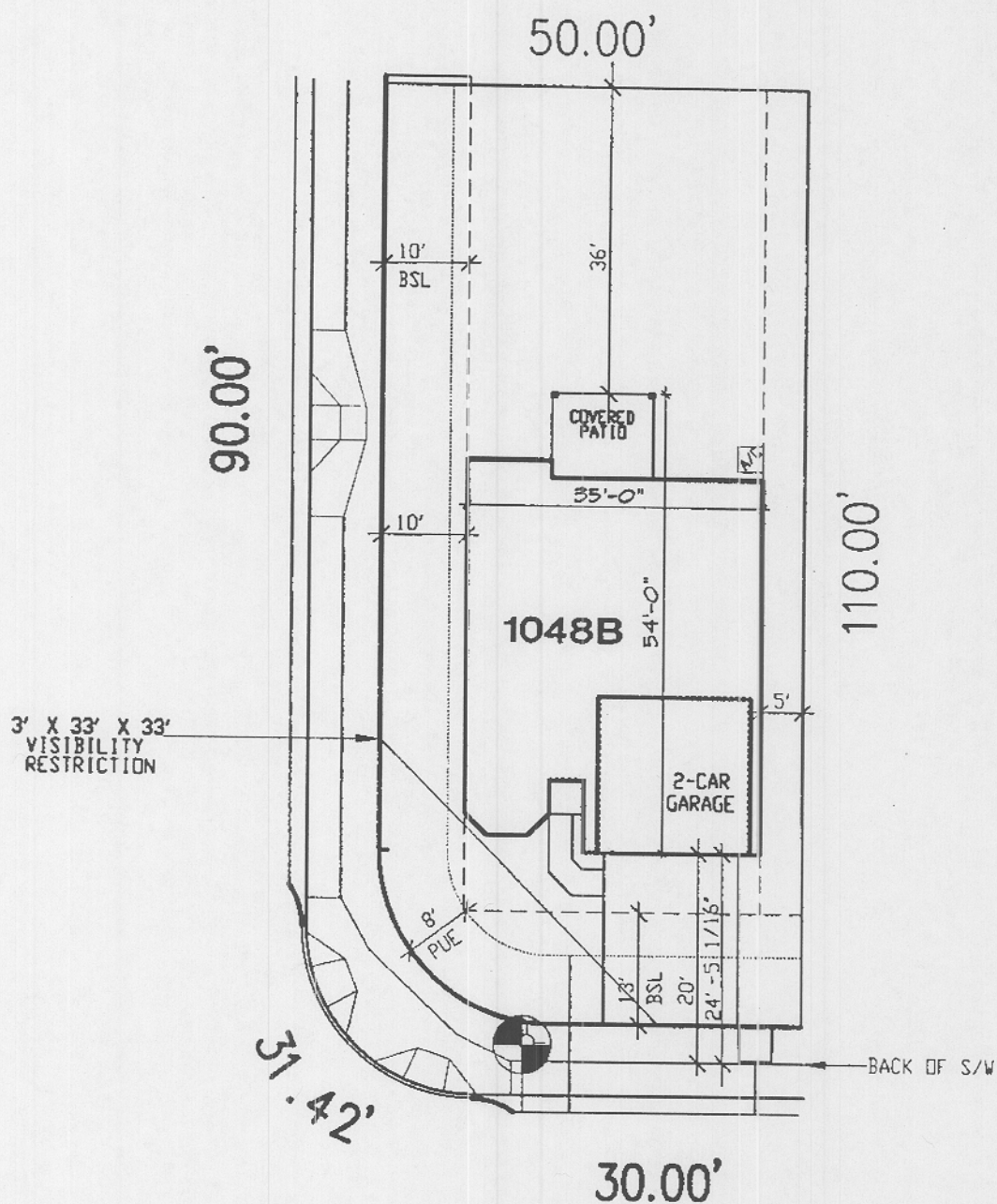
DATE

57



PLOT PLAN
SCALE 1"=20'-0"

FF 88.7
FP: 87.7



D.R. HORTON/CONTINENTAL SERIES - AVALON

DIMENSIONS SHOWN ON PLOT PLAN ARE APPROXIMATE, AND ACTUAL HOME PLACEMENT MAY VARY FROM WHAT IS SHOWN. D.R. HORTON RESERVES THE RIGHT, AT ITS SOLE DISCRETION, TO ADJUST THE LAYOUT OF THE HOME WITHIN THE SETBACK REQUIREMENTS DUE TO THE LOCATION OF UTILITIES, SWALES, BERMS, RETAINER WALLS, EASEMENTS, OR OTHER CONDITIONS THAT ARISE WHICH WARRANT ADJUSTMENT OF THE SETBACKS. FENCE RETURNS AND FENCE LOCATIONS MAY VARY FROM WHAT IS SHOWN. PLOT PLAN IS NOT AN INDICATOR OF FENCE PLACEMENT.

CURB CUT

NO ☒

LOT# 57

ADDRESS:

GARAGE

PLAN # 1048 B

DATE 6/21/05

RIGHT ☒